

City of Saskatoon

(Saskatchewan, Canada)

Financial Report

Year Ended December 31, 1991

Prepared by:
City Comptroller's Office



April 2, 1992

I am pleased to present the Annual Financial Report for the City of Saskatoon for the year ended December 31, 1991. This report will highlight some of the management philosophies which guided the Corporation during the past year and the extension of those philosophies into the future. The accompanying financial statements attest to the sound financial condition of the Corporation based on the application of consistent financial policies. In its analysis, Canadian Bond Rating Services states that "financially, Saskatoon is one of the strongest cities covered by CBRS. The City's maintenance of a strong financial position allows the debentures to continue to be rated AAA."

The City of Saskatoon is governed by an act of Legislation of the Province of Saskatchewan known as The Urban Municipality Act. From a small village of 113 in 1901, Saskatoon became a City in 1906 when its population grew to 5,000. Today, in excess of 180,000 people now enjoy the benefits of citizenship of this City.

The Mayor is the Chief Executive Officer of the City. Administrative powers and duties have been delegated to the City Commissioner appointed by City Council. The Council consists of the Mayor and ten Aldermen, elected for a period of three years. At the same time that City Council is elected, the Boards of Education of the Public and Separate school systems also hold elections. Other than applying a mill rate set by these Boards and collecting the resulting property and business taxes on their behalf, City Council has no legislative powers over the educational affairs of the City.

Saskatoon is the home to the University of Saskatchewan whose campus sits on the banks of the South Saskatchewan River which runs its way through the municipality. The banks of the river are protected by the establishment of the Meewasin Valley Authority in 1979. Developments such as bicycle paths, interpretive centres and parklands have all been added to enhance its natural beauty.

The Mission Statement of the City is Striving for Excellence...Our Commitment to Keeping Saskatoon Special. Policies, past and present, have been applied to ensure that the City is, indeed, a special community. Today, the City is one of only two municipalities in the Province which still owns and operates

an electrical distribution system. Its water distribution system has received awards for producing some of the best tasting water in Canada, its Sewage Treatment and Disposal system has been continually upgraded with a sympathetic understanding of the environmental impact on the South Saskatchewan River, and the Transit system has been expanded to ensure access by all the citizens of Saskatoon. Saskatoon continues to enjoy some of the lowest Utility rates in Canada and, combined with one of the lowest tax rates in Canada and the availability of amenities second to none, Saskatoon indeed is a special place to live.

Economic factors which required many of the citizens of Saskatchewan to leave the Province in order to find employment did not leave Saskatoon unaffected. 1991 was the first year in which the population of the City actually decreased. As a city within the Province of Saskatchewan, much of its economic growth is dependant on the health of the farming community. Saskatoon, through its efforts at economic diversification, has been able to withstand the several years of poor farm returns because of its position as the centre of the mining and high tech activities in the Province, and the location of the main campus of the University of Saskatchewan within the city. As a Corporation, the City has responded to the needs of its citizens by limiting tax increases, maintaining financially responsible debt policies, and ensuring the provision of basic services required to protect the quality of life which its citizens expect.

The accompanying financial statements have been prepared by the Finance Division of the Corporation. They have been reviewed by the Board of Administration and fully disclose the financial position of the City of Saskatoon. These statements have been subject to reviews by the audit firm of Deloitte and Touche, Saskatoon whose unqualified audit report has been reproduced in these statements. The City of Saskatoon also has an Audit Committee whose responsibility is to recommend the appointment of the External Auditors, and review recommendations/observations of both the internal and external auditors regarding the management effectiveness and financial controls within the Civic Administration.

The attached statements reveal that the City enjoyed a surplus for the year ended December 31, 1991 of \$291,000 from a budgeted revenue base of \$138,406,000. As has been the practice of the City, this amount has been retained for application to future one time expenditures. With a net debt per capita of only \$223, the City is able to use its financial resources to provide services to its citizens rather than to servicing a heavy debt load. During 1991, City Council again ensured that the basic services such as Police, Fire, roads and streets were maintained at a high level. This became especially difficult in 1991 as senior government grants supporting the delivery of municipal services were substantially reduced. Although no major program additions were approved, services were maintained while still maintaining a tax increase below inflation.

The City of Saskatoon is very well positioned to weather the current downturn in the Provincial economy and provide support for future growth. The City has continually applied sound financial policies which has ensured that its place in the future is not jeopardized. Rates charged to its citizens for the use of services provided by its four utilities remains among the lowest in Canada. Funds are being put into reserves to finance a future major upgrading to the Sewage Treatment Plant to ensure both financial resources and

a funding base for that expansion. The Electrical Distribution Utility, which in 1991 provided a return on investment of \$9,713,000 and a further \$9,084,000 in grants in lieu of taxes, is operated debt free. Reserve policies will ensure that this Utility will maintain its financial position as such policies provide for sufficient revenues to be retained by the Utility to not only provide for the replacement of capital, but for the extension of its services to new subdivisions, etc. The attached consolidated financial statements reveal that the City's reserves and reserve funds totalled \$66,848,000 at December 31, 1991. These reserves are intended not only to provide replacement funds for capital assets, but funds for future new capital expansions, and special reserves to ensure that the City can withstand unanticipated negative variances in its operating budget.

It was the objective of the City in 1991 to develop a Capital Program which could be financed within its existing resources without the creation of new debt. This resulted in the expenditure of \$30,933,000, financed primarily from reserves, while still allowing reserve balances to remain stable. Expenditures were concentrated on basic services such as transportation and Utility expansion/replacement. There were no major projects started in 1991 which would materially affect the capital program plans for 1992.

For the second year in a row, the City began 1991 faced with a trend of decreasing self generated revenues and decreased contributions from the Provincial Government. Although these decreases resulted in some staff reductions, the City was able to maintain existing services and respond to additional operating costs as a result of previous years capital additions, with a mill rate increase below inflation.

Although the Provincial economy, faced with a large Provincial deficit, will encounter some difficulties in the coming year, forecasts do predict growth. Healthy grain reserves due to a near record harvest in 1991, along with signs of increasing grain prices, will be the leaders of this growth. As the centre of economic activity, Saskatoon will be able to respond to this growth as it meets the needs of the population in its trading area.

The Administration will continue to strive for the maintenance of sound financial and management policies to ensure that it is able to respond to the needs of its citizens in the future. Working closely with City Council, the Administration will implement a strategic planning process in 1992 which will demonstrate those services which are most important to the citizens of Saskatoon and, provide plans which will guarantee that those services are provided in the most cost effective manner possible.

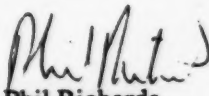

Phil Richards,
Director of Finance

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MAYOR AND COUNCIL - 1991

Mayor - H. Dayday

Aldermen/Councillors

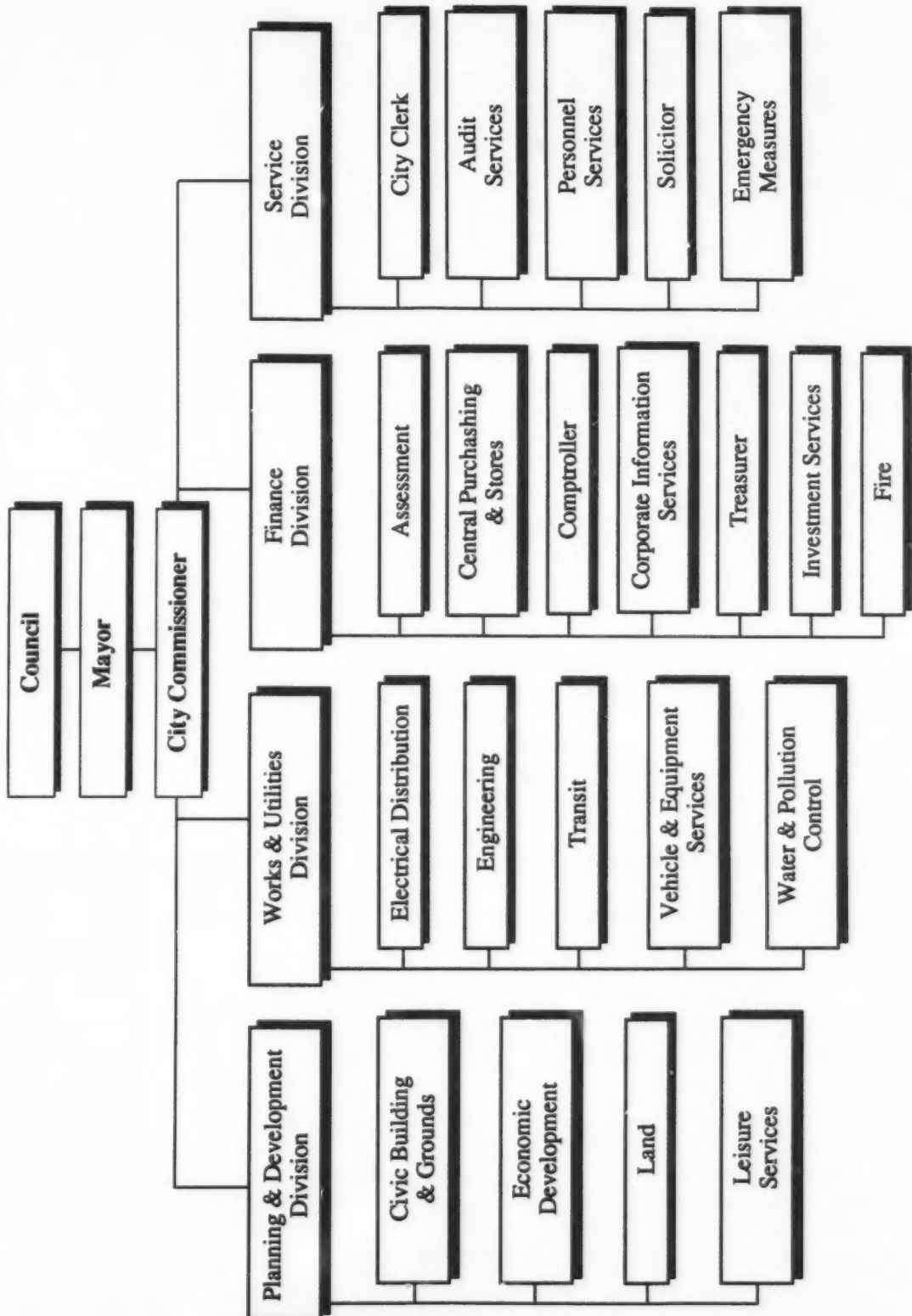
- | | |
|-----------------|---------------|
| - D. Birkmaier | - P. McCann |
| - M. Cherneskey | - P. Mostoway |
| - B. Dyck | - G. Penner |
| - M. Hawthorne | - M. Thompson |
| - O. Mann | - K. Waygood |

City Commissioner - M.D. Irwin

HEADS OF DEPARTMENTS

- | | |
|--|------------------|
| City Clerk | - J. Mann |
| Director of Personnel Services | - J.B. Morgan |
| Manager - Emergency Measures | - D. Litz |
| Manager - Internal Audit & Policy Planning | - B. Prosser |
| City Solicitor | - T. Dust |
| Director of Finance | - P. Richards |
| City Assessor | - F.B. Garland |
| City Comptroller | - B. Veltkamp |
| City Treasurer | - L. Ollenberger |
| Manager, Central Purchasing & Stores | - D. Derdall |
| Manager, Investment Services | - R. Walker |
| Manager, Corporate Information Services | - S. Arthur |
| Fire Chief | - W. J. Hewitt |
| Director of Planning and Development | - K. Pontikes |
| Manager, Buildings and Grounds | - C. Man |
| Manager, Economic Development | - D.R. Fairlie |
| Manager, Land Department | - S. Peakman |
| Manager, Leisure Services | - P. Gauthier |
| City Planner | - R.M. Cope |
| Director of Works and Utilities | - J. Gustafson |
| City Engineer | - S. Uzelman |
| Manager, Electrical Distribution | - M. Mikytyshyn |
| Manager, Transit | - J.A. Ross |
| Manager, Waterworks & Pollution Control | - R. Munch |
| Manager, Vehicle & Equipment Services | - M.E. Famulak |
| Chief of Police | - O. Maguire |
| Chief Librarian | - S. Anderson |
| Mendel Art Gallery - Director | - P. White |
| Centennial Auditorium - Executive Director | - M. Hounsell |
| Saskatoon Community Health Unit - Executive Director | - |
| City Hospital - President | - E. Schwartz |
| Saskatchewan Place - General Manager | - K. Wood |

City of Saskatoon - Organization Chart



Deloitte & Touche
Chartered Accountants

AUDITORS' REPORT

His Worship the Mayor
and Council
City of Saskatoon

We have audited the Consolidated Balance Sheet of the City of Saskatoon as at December 31, 1991 and the Consolidated Statement of Flow of Resources and Statements of Reserves and Reserve Funds for the year then ended. These financial statements are the responsibility of the City's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by

management, as well as evaluating the overall financial statement presentation.

In our opinion, these consolidated financial statements present fairly, in all material respects, the financial position of the City as at December 31, 1991 and the results of its operations and the changes in its financial position for the year then ended in accordance with municipal accounting principles as disclosed in Note 1 to the financial statements.

Deloitte & Touche

Chartered Accountants
Saskatoon, Saskatchewan

March 27, 1992

CITY OF SASKATOON
CONSOLIDATED BALANCE SHEET
As at December 31, 1991

(Dollars in Thousands)

19911990**ASSETS****UNRESTRICTED**

Cash and Short Term Investments	\$ 47,657	\$ 52,228
Investments (Note 2)	28,748	21,121
Taxes Receivable (Note 3)	12,542	11,758
User Charges Receivable (Note 3)	8,563	9,115
Accounts Receivable (Note 3)	10,733	11,027
Other Assets	<u>9,503</u>	<u>10,371</u>
	<u>117,746</u>	<u>115,620</u>

RESTRICTED

Cash and Short Term Investments	414	105
Investments (Note 2)	<u>5,004</u>	<u>4,953</u>
	<u>5,418</u>	<u>5,058</u>
Capital Outlay Financed by Long Term Liabilities to be Recovered in Future Years (Note 1B)iii))	<u>38,809</u>	<u>42,626</u>
	<u>\$161,973</u>	<u>\$163,304</u>

CITY OF SASKATOON
CONSOLIDATED BALANCE SHEET
As at December 31, 1991

(Dollars in Thousands)

19911990**LIABILITIES**

Accounts Payable	\$ 21,991	\$ 24,323
Other Current Liabilities	<u>6,402</u>	<u>5,909</u>
	28,393	30,232
Net Long-Term Liabilities (Note 7)	<u>38,809</u>	<u>42,626</u>
	<u>67,202</u>	<u>72,858</u>

FUND BALANCES AT THE END OF THE YEAR

Funds to Offset Taxation or User Charges in Future Years	390	207
Unexpended Capital Financing	27,533	24,600
Reserves	59,471	58,341
Reserve Funds	<u>7,377</u>	<u>7,298</u>
	<u>94,771</u>	<u>90,446</u>
	<u>\$161,973</u>	<u>\$163,304</u>

CITY OF SASKATOON
CONSOLIDATED STATEMENT OF FLOW OF RESOURCES
For the Year Ended December 31, 1991

	(Dollars in Thousands)	
	<u>1991</u>	<u>1990</u>
<u>RESOURCE INFLOWS</u>		
Taxation	\$ 63,610	\$ 60,957
Grants in Lieu of Taxes	2,721	2,663
User Charges	110,349	110,061
Federal Grants	26	17
Provincial Grants	17,905	18,219
Investment Income	9,599	11,812
Contribution from Developers	2,143	4,238
Other	14,424	14,790
Debentures Issued	--	2,337
Transfer from Reserves	27,609	29,206
Transfer from Reserve Funds	<u>1,225</u>	<u>2,060</u>
	<u>249,611</u>	<u>256,360</u>
<u>RESOURCE OUTFLOWS</u>		
General Government Services	16,730	16,405
Protective Services	41,181	40,803
Transportation Services	13,831	13,416
Environmental Health Services	3,171	3,269
Health and Welfare Services	5,977	5,902
Environmental Development Services	8,492	8,213
Recreation and Cultural Services	17,359	17,836
Fiscal Services	12,634	12,930
Utility Operating Costs	73,816	75,195
Capital	30,843	47,127
Transfer to Reserves	22,093	23,106
Transfer to Reserve Funds	<u>368</u>	<u>320</u>
	<u>246,495</u>	<u>264,522</u>
NET INCREASE (DECREASE) IN RESOURCES	3,116	(8,162)
BALANCES, BEGINNING OF YEAR:		
Funds to Offset Taxation and User		
Charges in Future Years	207	1,770
Unexpended Capital Financing	<u>24,600</u>	<u>31,199</u>
	<u>24,807</u>	<u>32,969</u>
BALANCES, END OF YEAR:		
Funds to Offset Taxation and User		
Charges in Future Years (Sched. 1)	390	207
Unexpended Capital Financing (Sched. 2)	<u>27,533</u>	<u>24,600</u>
	<u>\$ 27,923</u>	<u>\$ 24,807</u>

**STATEMENT OF RESERVES
FOR THE YEAR ENDED DECEMBER 31, 1991**

	TOTAL	SOCIAL HOUSING RESERVE	(NOTE 9) PROPERTY REALIZED	(APPENDIX 1) REPLACEMENT	(APPENDIX 2) FUTURE EXPENDITURES	TAX TITLE PROPERTY
RESERVES						
Balance, Beginning of Year	\$58,341	1,632	12,925	22,443	21,339	2
Appropriations from Current Operations	22,075		1,672	7,739	12,664	
Infrastructure Levy	2,326			2,326		
Interest	28				28	
User Fees/Contributions	135		110		25	
Transfer from Sinking Fund	1,000				1,000	
Transfer from Surplus	18				18	
Contributions from Developers	470	12	450		8	
Operating and Capital Levies	2,625			2,595	30	
Transfers Between Reserves	--		619	(7)	(612)	
Contributions from:						
Provincial Government	30				30	
Federal Government	32				32	
	<u>87,080</u>	<u>1,644</u>	<u>15,776</u>	<u>35,096</u>	<u>34,562</u>	<u>2</u>
Transfer to Surplus	597				597	
Appropriations to Capital Operations	<u>27,012</u>	<u>267</u>	<u>1,057</u>	<u>11,806</u>	<u>13,908</u>	<u>(26)</u>
Balance, End of Year	<u>\$59,471</u>	<u>1,377</u>	<u>14,719</u>	<u>23,290</u>	<u>20,057</u>	<u>28</u>

STATEMENT OF RESERVE FUNDS

For the Year Ended December 31, 1991

**BUS
REPLACEMENT****(Dollars in Thousands)****1991 1990****RESERVE FUNDS**

Balance, Beginning of Year	\$ 7,298	\$ 8,249
Revenue	936	789
Appropriations from Current Operations	<u>368</u>	<u>320</u>
	8,602	9,358
Appropriations to Current/ Capital Operations	<u>1,225</u>	<u>2,060</u>
Balance, End of Year	<u>\$ 7,377</u>	<u>\$ 7,298</u>

CITY OF SASKATOON

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended December 31, 1991

I. ACCOUNTING POLICIES

A) BASIS OF CONSOLIDATION

- i) These financial statements consolidate the assets and liabilities and Flow of Resources of the General Revenue Funds, Capital Funds, Reserve Funds and the Revenue and Capital Funds of the following Boards and Utilities:

- Board of Police Commissioners
- Sewage Utility
- Water Utility
- Electrical Utility
- Transit Utility

- ii) The assets, liabilities and operations of the Saskatoon Community Health Unit and the Saskatoon Public Library are not reflected in the consolidated financial statements.

- iii) Trust funds, pension funds and sinking fund and their related operations administered by the City are not reflected in the consolidated financial statements.

- iv) Grants to the Centennial Auditorium, Mendel Art Gallery and Saskatchewan Place are reported in the Schedule of Revenues and Expenditures under Recreational and Cultural Services. The assets, liabilities and operations for these three boards are not reflected in the consolidated financial statements.

B) BASIS OF ACCOUNTING

- i) Source of financing and expenditures are reported on an accrual basis of accounting. The accrual basis of accounting recognizes revenues as they become available and measurable; expenditures are recognized as they are incurred and measurable as a result of receipt of goods or services and the creation of a legal obligation to pay. The major exception to this policy is certain sick and vacation leave benefits which are not recognized until they are incurred costs.

Water, Sewer and Electrical Utility customers are billed on a cyclical basis, which may include estimates. No accrual is made for revenues not billed at the year end.

- ii) Inventories are valued at the lower of cost or net realizable value. Cost is determined using the average laid-in costs.

- iii) Capital Outlay Financed by Long-term Liabilities and to be Recovered in Future Years

CITY OF SASKATOON

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended December 31, 1991

The historical cost and accumulated depreciation of fixed assets are not reported for municipal purposes. Instead the "Capital Outlay Financed by Long-Term Liabilities and to be Recovered in Future Years", which represents the outstanding principal portion of unmatured long-term liabilities for municipal expenditures or capital funds transferred to other organizations, is reported on the "Consolidated Balance Sheet".

- iv) Gains and losses on foreign currency transactions are charged to operations when they are realized.
- v) The City of Saskatoon is one of the primary property developers in the municipality. Expenditures relating to the servicing of new subdivisions within the City are charged to the prepaid services account (which forms part of the unexpended capital financing section of the Consolidated Balance Sheet). Proceeds from the sale of lots are credited to the prepaid service accounts for that portion attributable to services, and to the Property Realized Reserve for the portion attributable to land. Any property purchased for future land development is funded by the Property Realized Reserve.

Receipts and disbursements pertaining to prepaid services have been consoli-

dated in the Schedule of Capital Operations. Those pertaining to the Property Realized Reserve are reflected in the Statement of Reserves.

- vi) The City of Saskatoon makes contributions to the General Superannuation, Police Superannuation and Firefighters' Superannuation plans on behalf of its staff. The amount contributed to the plans in 1991 included current service payments as well as any contributions required for actuarially identified unfunded liability and experience deficiency payments. The City of Saskatoon reports all such payments as an expenditure in the year the payments are made.

2. INVESTMENTS

The total of investments of \$28,748,000 (1990 - \$21,121,000) recorded on the "Consolidated Balance Sheet - Unrestricted Assets" at cost, have a market value of \$30,979,000 (1990 - \$20,812,000).

The total of restricted investments of \$5,004,000 (1990 - \$4,953,000) recorded at cost, have a market value of \$5,387,000 (1990 - \$5,212,000).

A provision for losses on investments other than temporary declines in market values is provided where necessary.

CITY OF SASKATOON
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended December 31, 1991

3. RECEIVABLES

It is the normal practice of the City to review its Accounts Receivable on a regular basis and write off, against current operating revenues, any accounts which are considered to be uncollectable. A general allowance for doubtful accounts is, therefore, not included in these financial statements. The receivables recorded on the Balance Sheet do not include any material receivables considered as uncollectable.

4. COLLECTIONS FOR SCHOOL BOARD, SASKATOON PUBLIC LIBRARY AND BUSINESS IMPROVEMENT DISTRICTS

The Education Act and Urban Municipality Act 1984 set out the manner in which collections of taxes and trailer license fees are to be submitted to the School Boards and the Business Improvement Districts. The Public Libraries Act sets out the manner in which collections of taxes are to be submitted to the Saskatoon Public Library. As the City is acting as agent only for the collection of such taxes, these amounts are not reflected in the Statement of Revenue and Expenditures, nor are the Assets, Liabilities and Equity of these Boards included in the consolidated financial statements. During 1991, the City remitted \$57,776,000 to the Public School Board, \$24,556,000 to the Separate School Board, and \$7,586,000 to the Saskatoon Public Library as their share of the Property and Business tax levies. It also remitted \$382,000 to the

three Business Improvement Districts for levies assessed to their members.

5. UNCONSOLIDATED BOARDS

Payments made to, or on behalf of, those Boards referred to in Note 1 A) iv) were as follows:

Centennial Auditorium	\$ 650,000
Mendel Art Gallery	1,019,000
Saskatchewan Place	1,575,000

For the year ended December 31, 1991, the Centennial Auditorium experienced a deficit which exceeded its Stabilization Reserve by \$114,000. The responsibility for financing this deficit is that of the City of Saskatoon and has not been incorporated into these financial statements. Other than loans from the City of Saskatoon, these Boards do not have the power to enter into debt arrangements and, therefore, the Boards do not have any debts for which the City is contingently liable.

**6. PENSION PLANS -
UNFUNDED LIABILITY AND
EXPERIENCE LIABILITY**

The City of Saskatoon administers three employee pension plans - the General Superannuation Plan, the Police Superannuation Plan and the Firefighters' Superannuation Plan. Combined, these plans provide pension

CITY OF SASKATOON

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended December 31, 1991

benefits for all eligible staff of the City and Boards. The Plans are contributory defined plans with contributions, as stipulated by pension agreements, made by Plan members and the City of Saskatoon.

An Actuarial Report filed for the General Superannuation Plan as at December 31, 1990 indicated a surplus of \$16,145,937. The report filed for the Police Superannuation Plan as at December 31, 1988 indicated a surplus of \$3,447,393.

The Firefighters' Superannuation Plan Actuarial Report as at December 31, 1990 indicated a present value unfunded liability of \$2,201,000. The Actuarial Report identifies this liability is to be funded by the City of Saskatoon. The City's liability will result in a payment in 1992 out of general revenue of \$266,000.

7. LIABILITY FOR ACCRUED VACATION

Vacation leave is credited to employees on a monthly basis based on contractual obligations. Such credits are accumulated from the period April 1 to March 31 and may not be taken in advance. Therefore, credits earned from April 1, 1991 to December 31, 1991 would normally be available to employees after April 1, 1992. At December 31, 1991, the value of these credits, plus any credits not yet taken from the accumulation period ending March 31, 1991, totalled \$6,700,000.

8. NET LONG-TERM LIABILITIES

A) The balance of net long-term liabilities reported on the "Consolidated Balance Sheet" is made up of the following:

(Dollars in Thousands)

1991 1990

Total long-term liabilities incurred by the City, including those incurred on behalf of the Saskatoon Public School Board, Saskatoon Public Library Board, City Hospital and Utilities and outstanding at the end of the year amount to:	<u>\$46,329</u> <u>\$54,948</u>
--	--

The total value of sinking funds which have been accumulated to the end of the year to retire the outstanding long-term liabilities included above, amount to: **(5,907) (10,467)**

Of the long-term liabilities shown above, the responsibility for the payment of principal and interest on certain of these charges have been assumed by the Saskatoon Public School Board, Saskatoon Public Library Board and the City Hospital. At the end of the year, the outstanding principal amount of this liability less sinking fund is: **(1,613) (1,855)**

Net Long-Term Liabilities at the End of the Year	<u>\$38,809</u> <u>\$42,626</u>
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CITY OF SASKATOON
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended December 31, 1991

All long term debt instruments have been issued in Canadian Funds.

- B) Of the total long-term liabilities reported in A) of this note, \$25,366,000 will mature between 1992 to 1996, \$15,701,000 between 1997 to 2001 and \$5,262,000 thereafter.

- C) On January 20, 1992, City Council passed a bylaw which authorized the issuance of fully registered serial debentures totalling \$1,801,000.

These debentures were issued with a December 1, 1991 date and were subsequently purchased by the City of Saskatoon General Fund. Neither the issuance, nor the purchase, have been reflected on the December 31, 1991 Balance Sheet.

9. CONTINGENT LIABILITIES

- A) The City is contingently liable for long-term liabilities with respect to those for which the responsibility for the payment of principal and interest has been assumed by the Saskatoon Public School Board, the Saskatoon Public Library, and City Hospital. The amount outstanding at December 31, 1991 is \$1,612,000 (1990 - \$1,855,000) and is not recorded on the "Consolidated Balance Sheet".
- B) The City operates a number of Sick Leave Benefit Plans as stipulated within agreements with the various Unions and Associations of employees. These plans are based on the accumulation of sick leave credits to a specified maximum, or are guaranteed long term disability plans. For those Unions with accumulated sick leave plans, the employee is entitled to a cash payment under specified circumstances, including retirements, based upon a formula stipulated in the union agreements. Due to the nature of these payments, the contingent liability has not been determined and the costs are recorded on a cash basis as outlined in Note 1 (B) (i).
- C) At December 31, 1991, approximately \$3,000,000 in uninsured claims remained in litigation. It is not possible to predict the outcome or the extent of any liability should any of the claims ultimately be successful. No provision has been made in the accounts for any costs which may result.
- D) Contractual Obligations - The City of Saskatoon has not entered into any long term contractual obligations, the recognition of which would materially affect these financial statements.

CITY OF SASKATOON
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended December 31, 1991

10. PROPERTY REALIZED

The Property Realized Reserve is reported net of all withdrawals. This practice does not recognize the value of assets for property purchased but not yet sold, or repayable advances of funds. At December 31, 1991, the gross value of the Property Realized Reserve is estimated to be \$51,174,000 (1990 - \$51,273,000) itemized as follows:

(Dollars in Thousands)

	<u>1991</u>	<u>1990</u>
Net balance of Reserve, December 31	\$14,719	\$12,925
Advances Repayable from Future Revenue Fund Provisions	14,176	16,161
Advances to South Downtown Project	8,372	8,481
Property Purchased from Reserve and not yet re-sold (at estimated cost)	<u>13,907</u>	<u>13,706</u>
Gross Value of Reserve, December 31	<u>\$51,174</u>	<u>\$51,273</u>

SCHEDULE 1
SCHEDULE OF FUNDS TO OFFSET TAXATION
OR USER CHARGES IN FUTURE YEARS
For the Year Ended December 31, 1991

	(Dollars in Thousands)	
	<u>1991</u>	<u>1990</u>
Balance, Beginning of Year	\$ 207	\$ 1,770
Transfer from Revenue Stabilization Reserve	597	--
Saskatchewan Place Seating	--	(868)
Transfer to Special Events Reserve	(18)	--
Mendel Art Gallery	--	(98)
Loan to Nightcap Productions	(15)	--
Transfer to Capital	(672)	--
Surplus (Deficit) for the Year (Schedule 3)	<u>291</u>	<u>(597)</u>
Balance, End of the Year	\$ <u>390</u>	\$ <u>207</u>

SCHEDULE 2

SCHEDULE OF CAPITAL OPERATIONS

For the Year Ended December 31, 1991

	(Dollars in Thousands)	
	<u>1991</u>	<u>1990</u>
<u>SOURCES OF FUNDS</u>		
Transfer from Surplus	\$ 672	\$ --
Debentures	--	2,337
Province of Saskatchewan	2,620	1,894
Contributions from Developers, Benefitting Property Owners and Other Users	2,053	4,238
Appropriations		
- From Current Operations - Taxation	44	103
- Utilities	10	94
- From Reserves	27,012	29,206
- From Reserve Funds	1,225	2,060
Loan - Bus Replacement Fund	<u>140</u>	<u>596</u>
	<u>33,776</u>	<u>40,528</u>
<u>EXPENDITURES</u>		
General Government	1,142	787
Protective Services	1,091	1,100
Transportation	11,443	15,757
Environmental	3,767	7,041
Health and Welfare Services	--	98
Recreation and Cultural	3,711	3,428
Property Purchases and Development	1,542	2,651
Utility Expansion and Replacements	<u>8,147</u>	<u>16,265</u>
	<u>30,843</u>	<u>47,127</u>
Unexpended Capital Financing,		
Beginning of Year	<u>24,600</u>	<u>31,199</u>
Unexpended Capital Financing,		
End of Year	<u>\$27,533</u>	<u>\$24,600</u>

SCHEDULE 3
CITY OF SASKATOON
SCHEDULE OF REVENUES AND EXPENDITURES
For the Year Ended December 31, 1991

(Dollars in Thousands)			
	<u>1991</u>		<u>1990</u>
	<u>ESTIMATE</u>	<u>ACTUAL</u>	<u>ACTUAL</u>
<u>REVENUES</u>			
Taxation	\$ 63,558	63,610	\$ 60,957
Grants in Lieu of Taxes	13,213	13,032	13,166
Services Provided to Other Governments	47	47	47
Sale of Services	11,718	10,738	9,952
Other Revenue from Own Sources	23,545	22,571	24,766
Transfers from Other Governments	15,325	15,311	16,342
Other Transactions	<u>11,000</u>	<u>10,977</u>	<u>10,067</u>
Total Revenues for the Year			
(Appendix 3)	<u>138,406</u>	<u>136,286</u>	<u>135,297</u>
<u>EXPENDITURES</u>			
General Government Services	17,076	16,892	16,949
Protective Services	43,724	42,516	41,350
Transportation Services	13,656	13,631	13,501
Environmental Health Services	3,585	3,601	3,683
Public Health and Welfare Services	7,361	7,297	7,204
Environmental Development Services	8,985	9,005	8,734
Recreation and Cultural Services	18,048	17,614	17,354
Fiscal Services	<u>25,971</u>	<u>25,439</u>	<u>27,119</u>
Total Expenditures for the Year			
(Appendix 4)	<u>138,406</u>	<u>135,995</u>	<u>135,894</u>
SURPLUS (DEFICIT)	\$ --	<u>291</u>	\$ <u>(597)</u>

APPENDIX 1
CITY OF SASKATOON
SCHEDULE OF REPLACEMENT RESERVES
December 31, 1991

	(Dollars in Thousands)	
	<u>1991</u>	<u>1990</u>
Albert Community Centre	\$ 61	\$ 46
Asphalt Plants	681	672
Buildings and Grounds Equipment	276	334
Civic Vehicles and Equipment	13,922	13,425
Electrical Distribution	4,319	4,116
Electronic Machines	425	331
Fire Equipment	123	24
Infrastructure Replacement	(58)	418
Landfill	75	--
Leisure Services Equipment	146	209
Parking Meters	--	7
Photocopy Machine	84	59
Police Vehicles	1,349	1,008
Sewage Collection/Treatment	267	220
Water Utility	1,068	1,168
Weigh Scales	<u>553</u>	<u>406</u>
Balance, End of year	<u>\$23,290</u>	<u>\$22,443</u>

APPENDIX 2
CITY OF SASKATOON
SCHEDULE OF RESERVES FOR FUTURE EXPENDITURES
December 31, 1991

	(Dollars in Thousands)	
	<u>1991</u>	<u>1990</u>
Animal Trading - Zoo	\$ 157	\$ 131
Campsite	70	90
City Hall Renovations	596	467
Civic Buildings Major Repair	1,445	1,633
Commercial Streetscape Enhancement	44	26
Cultural and Recreational Facilities Grant	--	(596)
Dedicated Lands	1,073	1,637
Electrical Distribution Extension	(61)	2,246
Electrical Revenue Stabilization Reserve	922	799
Fire - Additional Equipment	4	84
Fire Department Uniforms	19	33
General Voting	60	166
Golf Courses	--	212
Heritage Fund	45	39
Insurance Deductible Reserve	419	547
Interest Stabilization	2,152	3,133
Kinsmen Park Development	57	57
Kinsmen Park Rides	32	20
Land Operations	176	339
Corporate Information Systems Development	45	10
Neighborhood Park Enhancement	40	20
Parking Facilities	1,668	1,830
Buildings and Grounds Civic Facilities	229	385
Public Works Buildings Civic Facilities	352	328
Reserve for Capital Expenditures	1,613	472
Revenue Stabilization	924	1,521
Sewage Revenue Stabilization Reserve	531	1,000
Sewage Treatment Capital	315	(453)
Snow and Ice Management Contingency	155	363
Special Events	--	7
Streetscape	310	--
Sundry	604	256
Water Capital Projects	5,061	3,537
Water Revenue Stabilization Reserve	<u>1,000</u>	<u>1,000</u>
Balance, End of Year	\$20,057	\$21,339

APPENDIX 3
CITY OF SASKATOON
SCHEDULE OF REVENUES
For the Year Ended December 31, 1991

	(Dollars in Thousands)		
	<u>1991</u>		<u>1990</u>
	<u>ESTIMATE</u>	<u>ACTUAL</u>	<u>ACTUAL</u>
<u>TAXATION</u>			
Property Levy	\$55,935	56,006	\$53,446
Local Improvements Levy	1,346	1,387	1,306
Infrastructure Levy	2,270	2,326	2,303
Trailer Occupancy	65	67	60
Business Levy	3,567	3,501	3,464
Amusement	<u>375</u>	<u>323</u>	<u>378</u>
	<u>63,558</u>	<u>63,610</u>	<u>60,957</u>
<u>GRANTS IN LIEU OF TAXES</u>			
Federal Government and Agencies	1,043	1,105	1,046
Provincial Government Agencies	1,641	1,615	1,617
Own Utilities			
- Water	705	678	647
- Electrical	9,252	9,084	9,345
- Transit	143	143	132
- Sewage	<u>429</u>	<u>407</u>	<u>379</u>
	<u>13,213</u>	<u>13,032</u>	<u>13,166</u>
<u>SERVICES PROVIDED TO</u>			
<u>OTHER GOVERNMENTS</u>			
Fire Protection -			
R.M. of Corman Park	<u>47</u>	<u>47</u>	<u>47</u>

SCHEDULE OF REVENUES CONT'D

	(Dollars in Thousands)		
	1991	1990	1990
	ESTIMATE	ACTUAL	ACTUAL
<u>SALES OF SERVICES</u>			
Legal Fees	\$ 18	39	\$ 23
Tax Searches and Enforcement	135	133	139
Police	120	154	117
Fire	10	18	11
Economic Development Department	6	6	6
Engineering	332	291	213
Parking	2,134	1,889	1,190
Solid Waste Management	669	655	485
Cemetery	583	505	536
Planning	30	22	34
Weed Control	10	13	7
Tourist Campsite	100	93	102
Forestry Farm Park	169	132	124
Kinsmen Park Rides	90	98	84
Albert Community Centre	66	74	56
Swimming Pools	1,092	1,111	1,010
Golf Courses	1,797	1,448	1,737
Skating Rinks	1,069	959	973
Rec Complexes	2,227	2,080	2,187
Ball Fields	105	114	119
Field House	798	853	799
Outdoor Sports Fields	<u>158</u>	<u>51</u>	<u>--</u>
	<u>11,718</u>	<u>10,738</u>	<u>9,952</u>
<u>OTHER REVENUE FROM OWN SOURCES</u>			
Licenses and Permits	1,078	790	1,126
Fines and Penalties	3,122	2,466	2,513
Property Rentals	334	351	344
Franchise Fees	6,520	6,657	6,632
Interest Earnings	10,188	9,599	11,812
Tax Penalties	2,266	2,607	2,287
Other Revenue	<u>37</u>	<u>101</u>	<u>52</u>
	<u>23,545</u>	<u>22,571</u>	<u>24,766</u>

SCHEDULE OF REVENUES CONT'D

	(Dollars in Thousands)		
	<u>ESTIMATE</u>	<u>1991</u> <u>ACTUAL</u>	<u>1990</u> <u>ACTUAL</u>
TRANSFERS FROM OTHER GOVERNMENTS			
Federal - Employment	\$ 25	26	\$ 17
Provincial			
- Revenue Sharing	14,780	14,780	15,860
- Fire	10	10	10
- Transportation of Handicapped	<u>510</u>	<u>495</u>	<u>455</u>
	<u>15,325</u>	<u>15,311</u>	<u>16,342</u>
OTHER TRANSACTIONS			
Own Utilities Surplus			
- Water (Appendix 5)	--	--	--
- Electrical (Appendix 6)	9,713	9,713	8,895
- Transit (Appendix 7)	--	(23)	(357)
- Sewage Collection & Disposal (Appendix 8)	--	--	324
Administration Recovery	<u>1,287</u>	<u>1,287</u>	<u>1,205</u>
	<u>11,000</u>	<u>10,977</u>	<u>10,067</u>
TOTAL REVENUE FOR THE YEAR	<u>\$138,406</u>	<u>136,286</u>	<u>\$135,297</u>

APPENDIX 4
CITY OF SASKATOON
SCHEDULE OF EXPENDITURES
For the Year Ended December 31, 1991

	(Dollars in Thousands)		
	1991		1990
	ESTIMATE	ACTUAL	ACTUAL
GENERAL			
<u>GOVERNMENT SERVICES</u>			
Legislative	\$ 538	512	\$ 513
Administrative	3,195	3,162	3,112
Financial	3,197	3,307	3,136
Assessment	1,385	1,379	1,357
Common Services	3,066	2,789	3,143
Grants	1,019	1,018	1,096
Other	<u>4,676</u>	<u>4,725</u>	<u>4,592</u>
	<u>17,076</u>	<u>16,892</u>	<u>16,949</u>
<u>PROTECTIVE SERVICES</u>			
Police	27,064	26,281	25,353
Fire	15,324	14,909	14,694
Emergency Measures	123	116	126
Inspections	924	902	912
Animal and Pest Control	<u>289</u>	<u>308</u>	<u>265</u>
	<u>43,724</u>	<u>42,516</u>	<u>41,350</u>
<u>TRANSPORTATION SERVICES</u>			
Engineering	1,795	1,798	1,804
Roads and Streets	1,944	1,857	1,969
Drainage and Snow Removal	2,448	2,377	2,453
Street Cleaning	998	942	1,007
Bridges, Crossings, Subways	255	264	243
Street Lighting	3,955	3,981	3,873
Transportation	1,976	2,138	1,877
Parking	<u>285</u>	<u>274</u>	<u>275</u>
	<u>13,656</u>	<u>13,631</u>	<u>13,501</u>

SCHEDULE OF EXPENDITURES CONT'D

	(Dollars in Thousands)		
	<u>1991</u>		<u>1990</u>
	<u>ESTIMATE</u>	<u>ACTUAL</u>	<u>ACTUAL</u>
ENVIRONMENTAL			
<u>HEALTH SERVICES</u>			
Waste Collection and Disposal	\$3,476	3,472	\$3,683
Recycling	<u>109</u>	<u>129</u>	--
	<u>3,585</u>	<u>3,601</u>	<u>3,683</u>
PUBLIC HEALTH AND			
<u>WELFARE SERVICES</u>			
Cemetery	603	549	568
Contribution to City Hospital	1,568	1,568	1,551
Social Aid Levy	547	547	531
Burial of Indigents	10	14	13
Pensioners & Veteran Transportation	1,303	1,303	1,287
Transportation of Handicapped	996	982	920
Saskatoon Community Health Unit	<u>2,334</u>	<u>2,334</u>	<u>2,334</u>
	<u>7,361</u>	<u>7,297</u>	<u>7,204</u>
ENVIRONMENTAL			
<u>DEVELOPMENT SERVICES</u>			
South Downtown Redevelopment	50	50	98
Urban Design	51	46	28
Planning	1,245	1,232	1,239
Buildings and Grounds Maintenance	7,067	7,104	6,801
Tourist Campsite	100	93	102
Housing Authority Subsidy	65	50	63
Economic Development	<u>407</u>	<u>430</u>	<u>403</u>
	<u>8,985</u>	<u>9,005</u>	<u>8,734</u>
RECREATIONAL AND			
<u>CULTURAL SERVICES</u>			
Administration	1,273	1,310	1,218
Forestry Farm park	793	766	756
Community Services	1,151	1,116	1,005
Kinsmen Park Rides	90	98	84
Albert Community Centre	112	111	111

SCHEDULE OF EXPENDITURES CONT'D

	(Dollars in Thousands)		
	<u>1991</u>		<u>1990</u>
	<u>ESTIMATE</u>	<u>ACTUAL</u>	<u>ACTUAL</u>
RECREATIONAL AND			
<u>CULTURAL SERVICES CONT'D.</u>			
Swimming Pools	\$ 2,138	2,135	\$ 1,967
Golf Courses	1,797	1,468	1,737
Skating Rinks	1,263	1,190	1,182
Rec Complexes	3,538	3,500	3,456
Ball Fields	285	296	282
Field House	1,282	1,308	1,278
Saskatchewan Place	1,575	1,575	1,575
Centennial Auditorium	650	650	700
Mendel Art Gallery	1,019	1,019	1,044
Program Development	515	512	440
Subsidy - Minor Sports	<u>567</u>	<u>560</u>	<u>519</u>
	<u>18,048</u>	<u>17,614</u>	<u>17,354</u>
<u>FISCAL SERVICES</u>			
Contribution to Capital	2,681	2,681	2,500
Long-Term Debt Charges - Interest	3,150	3,271	3,426
- Principal & Sinking Fund	2,391	2,359	2,292
Interest Paid to Utilities	2,383	2,359	2,869
Banking Services	58	36	58
Provisions, Transfers, Repayments	7,348	6,677	8,115
Transfers to:			
- Transit Operations	6,456	6,456	6,180
- Meewasin Valley Authority	625	625	626
- Wanuskewin Heritage Park	300	300	300
- Business Improvement Districts	68	68	206
Amusement Tax Commission	19	15	19
Tax Discounts	392	485	432
Local Improvements Taxes on			
Exempt Property	<u>100</u>	<u>107</u>	<u>96</u>
	<u>25,971</u>	<u>25,439</u>	<u>27,119</u>
<u>TOTAL EXPENDITURES</u>			
<u>FOR THE YEAR</u>	<u>\$138,406</u>	<u>135,995</u>	<u>\$135,894</u>

APPENDIX 5
WATER UTILITY
STATEMENT OF REVENUES AND EXPENDITURES
For the Year Ended December 31, 1991

	(Dollars in Thousands)		
	<u>1991</u>		<u>1990</u>
	<u>ESTIMATE</u>	<u>ACTUAL</u>	<u>ACTUAL</u>
<u>REVENUES</u>			
Metered	\$ 15,593	14,952	\$14,376
Miscellaneous	20	23	11
Fire Protection Charge	371	371	371
Late Payment Penalties	<u>7</u>	<u>32</u>	<u>22</u>
	<u>15,991</u>	<u>15,378</u>	<u>14,780</u>
<u>EXPENDITURES</u>			
General	6,394	6,077	5,766
Treatment and Pumping	3,593	3,538	3,532
Buildings and Grounds	288	282	226
Meters	699	605	636
Watermains	3,049	3,011	3,001
Hydrants	497	384	437
Services	<u>878</u>	<u>808</u>	<u>817</u>
	<u>15,398</u>	<u>14,705</u>	<u>14,415</u>
SURPLUS BEFORE			
TRANSFER TO RESERVE	593	673	365
TRANSFER TO			
STABILIZATION RESERVE	<u>593</u>	<u>673</u>	<u>365</u>
SURPLUS FOR THE YEAR	\$<u>--</u>	<u>--</u>	\$<u>--</u>

APPENDIX 6
ELECTRICAL DEPARTMENT
STATEMENT OF REVENUES AND EXPENDITURES

For the Year Ended December 31, 1991

	(Dollars in Thousands)		
	<u>1991</u>		<u>1990</u>
	<u>ESTIMATE</u>	<u>ACTUAL</u>	<u>ACTUAL</u>
<u>REVENUES</u>			
Metered Revenue	\$ 67,831	66,598	\$ 68,515
Sask Power Rebate	349	412	737
Service Connection Fees	220	200	205
Miscellaneous	28	87	28
Tax Collection Commission	5	5	5
Late Payment Penalties	<u>20</u>	<u>53</u>	<u>36</u>
	<u>68,453</u>	<u>67,355</u>	<u>69,526</u>
<u>EXPENDITURES</u>			
General	10,680	10,438	10,359
Power Purchased	37,552	36,944	39,735
Buildings and Grounds	272	265	227
Poles, Lines, Feeders	1,905	1,657	2,131
Substations	362	296	325
Street Lighting	445	495	426
Meters	600	581	580
System Operations	97	66	19
Provision for Capital Extension	4,500	4,383	5,095
Provision for Capital Replacement	<u>2,327</u>	<u>2,444</u>	<u>1,935</u>
	<u>58,740</u>	<u>57,569</u>	<u>60,832</u>
SURPLUS BEFORE TRANSFER TO RESERVE	9,713	9,786	8,694
TRANSFER (TO) FROM STABILIZATION RESERVE	<u>--</u>	<u>(73)</u>	<u>201</u>
SURPLUS	<u>\$ 9,713</u>	<u>9,713</u>	<u>\$ 8,895</u>

APPENDIX 7
TRANSIT DEPARTMENT
STATEMENT OF REVENUES AND EXPENDITURES
For the Year Ended December 31, 1991

	(Dollars in Thousands)		
	<u>1991</u>		<u>1990</u>
	<u>ESTIMATE</u>	<u>ACTUAL</u>	<u>ACTUAL</u>
<u>REVENUES</u>			
Mail Carriers	\$ 16	15	\$ 15
Passes	2,445	2,457	2,270
Cash Fares	2,703	2,584	2,430
Ticket Sales	658	750	571
Charter	500	511	414
Senior Citizens Passes	360	359	310
Senior Citizens Operating Allow.	1,303	1,303	1,286
General Services Operating Allow.	6,456	6,456	6,180
City Departments	--	--	8
Advertising	<u>170</u>	<u>92</u>	<u>123</u>
	<u>14,611</u>	<u>14,527</u>	<u>13,607</u>
<u>EXPENDITURES</u>			
General	3,144	3,165	2,901
Transportation			
- Operating	8,158	8,112	7,800
- Supervision	537	550	533
- Other	333	329	318
Equipment Servicing	686	683	652
Equipment Repair	1,093	1,052	1,062
Stores	65	64	62
Shop	595	595	590
Capital	<u>--</u>	<u>--</u>	<u>46</u>
	<u>14,611</u>	<u>14,550</u>	<u>13,964</u>
DEFICIT	\$ <u>--</u>	<u>(23)</u>	\$ <u>(357)</u>

APPENDIX 8

SEWAGE COLLECTION AND DISPOSAL UTILITY STATEMENT OF REVENUES AND EXPENDITURES

For the Year Ended December 31, 1991

	(Dollars in Thousands)		
	<u>1991</u>		<u>1990</u>
	<u>ESTIMATE</u>	<u>ACTUAL</u>	<u>ACTUAL</u>
<u>REVENUES</u>			
Metered	\$ 10,686	10,032	\$ 9,602
Late Payment Penalties	<u>5</u>	<u>21</u>	<u>14</u>
	<u>10.691</u>	<u>10.053</u>	<u>9.616</u>
<u>EXPENDITURES</u>			
General	4,058	3,920	3,414
Lift Stations	482	477	448
Pollution Control Plant	2,831	2,844	2,248
Sludge Handling & Disposal	314	234	230
Sewer Engineering	47	48	47
Sewer Inspections	243	189	243
Sewer Maintenance	1,374	1,619	1,503
Service Connections	<u>797</u>	<u>907</u>	<u>894</u>
	<u>10.146</u>	<u>10.238</u>	<u>9.027</u>
 SURPLUS (DEFICIT) BEFORE TRANSFER (TO) FROM RESERVE	 545	 (185)	 589
 TRANSFER (TO) FROM STABILIZATION RESERVE	 <u>(545)</u>	 <u>185</u>	 <u>(265)</u>
 SURPLUS	 \$ <u>--</u>	 <u>--</u>	 \$ <u>324</u>

CITY OF SASKATOON
TRUST FUNDS
BALANCE SHEET
As at December 31, 1991

	<u>TOTAL</u>	CEMETERY PERPETUAL <u>CARE</u>	CITY HOSPITAL <u>ENDOWMENT</u>	GROUP INSURANCE <u>TRUST</u>
(Dollars in Thousands)				
<u>ASSETS</u>				
Cash and Short Term				
Investments	\$ 28	1	1	\$ 26
Accounts Receivable	7	7	--	--
Investments (Note 2)	<u>2,315</u>	<u>1,996</u>	<u>27</u>	<u>292</u>
	<u>\$ 2,350</u>	<u>2,004</u>	<u>28</u>	<u>\$ 318</u>
<u>LIABILITIES AND RESERVES</u>				
Accounts Payable	\$ 60	59	1	\$ --
Reserves	<u>2,290</u>	<u>1,945</u>	<u>27</u>	<u>318</u>
	<u>\$ 2,350</u>	<u>2,004</u>	<u>28</u>	<u>\$ 318</u>

CITY OF SASKATOON
TRUST FUNDS
STATEMENT OF CONTINUITY
As at December 31, 1991

	<u>TOTAL</u>	<u>CEMETERY PERPETUAL CARE</u>	<u>CITY HOSPITAL ENDOWMENT</u>	<u>GROUP INSURANCE TRUST</u>
(Dollars in Thousands)				
Balance, Beginning of Year	\$ 2,410	1,873	27	\$ 510
<u>CAPITAL RECEIPTS</u>				
Sale of Cemetery Plots	72	72	-	-
Interest Earned	<u>289</u>	<u>221</u>	<u>3</u>	<u>65</u>
	2,771	2,166	30	575
<u>DISBURSEMENTS</u>				
Transfer to Revenue Fund	<u>481</u>	<u>221</u>	<u>3</u>	<u>257</u>
Balance, End of Year	\$ <u>2,290</u>	<u>1,945</u>	<u>27</u>	\$ <u>318</u>

CITY OF SASKATOON
TRUST FUNDS
NOTES TO THE FINANCIAL STATEMENTS
As at December 31, 1991

1. ACCOUNTING POLICIES

BASIS OF ACCOUNTING

Sale of Plots and Interest Earnings on the "Statement of Continuity" are recorded on a cash basis of accounting.

2. INVESTMENTS

The total of investments of \$ 2,315,000 (1990 - \$ 2,234,000) recorded on the "Balance Sheet" at cost, have a market value of \$ 2,491,000 (1990 - \$ 2,270,000) at December 31.

Sinking Fund

Deloitte & Touche
Chartered Accountants

AUDITORS' REPORT

**His Worship the Mayor
and City Council
City of Saskatoon**

We have audited the Balance Sheet of the Sinking Fund of the City of Saskatoon as at December 31, 1991 and the Statements of Revenues and Expenditures and Surplus for the year then ended. These financial statements are the responsibility of the Fund's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and

significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Fund as at December 31, 1991 and the results of its operations and the changes in its financial position for the year then ended in accordance with municipal accounting principles as disclosed in the notes to the financial statements.

Deloitte & Touche

Chartered Accountants
Saskatoon, Saskatchewan
March 27, 1992

CITY OF SASKATOON

SINKING FUND

BALANCE SHEET

As at December 31, 1991

	(Dollars in Thousands)	
	1991	1990
ASSETS		
Cash	\$ 19	\$ 37
Term Deposits	--	1,265
Accounts Receivable	7	26
Accrued Interest (Note 3)	181	333
Investments (Note 2)	<u>8,130</u>	<u>11,322</u>
	<u>\$ 8,337</u>	<u>\$12,983</u>
LIABILITIES AND SURPLUS		
Liabilities		
Requirement		
Amounts required in Fund at anniversary dates of debenture issues	\$ 5,802	\$ 10,272
Interest accrued thereon from such anniversary dates to Dec 31	<u>105</u>	<u>195</u>
	5,907	10,467
Accounts Payable	<u>1</u>	<u>--</u>
	5,908	10,467
Surplus	<u>2,429</u>	<u>2,516</u>
	<u>\$ 8,337</u>	<u>\$12,983</u>

CITY OF SASKATOON
SINKING FUND
STATEMENT OF SURPLUS
For the Year Ended December 31, 1991

	(Dollars in Thousands)	
	1991	1990
Balance, Beginning of Year	\$ 2,516	\$ 2,496
Net Earnings	<u>913</u>	<u>1,020</u>
	3,429	3,516
Transfer to General Revenue Fund by authority of the Saskatchewan Municipal Board	<u>1,000</u>	<u>1,000</u>
Balance, End of Year	<u>\$ 2,429</u>	<u>\$ 2,516</u>

STATEMENT OF REVENUES AND EXPENDITURES
For the Year Ended December 31, 1991

Revenues		
Interest	\$ 977	\$ 1,403
Net Gain on Sale of Investments	<u>249</u>	<u>84</u>
	<u>1,226</u>	<u>1,487</u>
Expenditures		
Statutory Interest Requirement	293	442
Administrative Expenses	<u>20</u>	<u>25</u>
	<u>313</u>	<u>467</u>
Net Earnings	<u>\$ 913</u>	<u>\$ 1,020</u>

CITY OF SASKATOON
SINKING FUND
SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
As at December 31, 1991

1. FUND ACCOUNTING

The City of Saskatoon - Sinking Fund follows the funds theory of accounting, the accounting entity being a fund as opposed to an enterprise. The Sinking Fund was established to set aside funds in order to redeem Sinking Fund debentures. This fund must comply with various statutory requirements as set out in the Urban Municipality Act, 1984.

at cost, have a market value of \$8,478,000 (1990 - \$11,171,000) at December 31, 1991.

3. ACCRUAL BASIS

The Sinking Fund operates on the accrual basis of accounting. Any interest earned but not received as at December 31 has been recorded in Accrued Interest.

2. INVESTMENTS

The total of investments of \$8,130,000 (1990 - \$11,322,000) recorded on the "Balance Sheet"

Statistical Information

SUMMARY OF SOURCE AND APPLICATION OF CAPITAL FUNDS

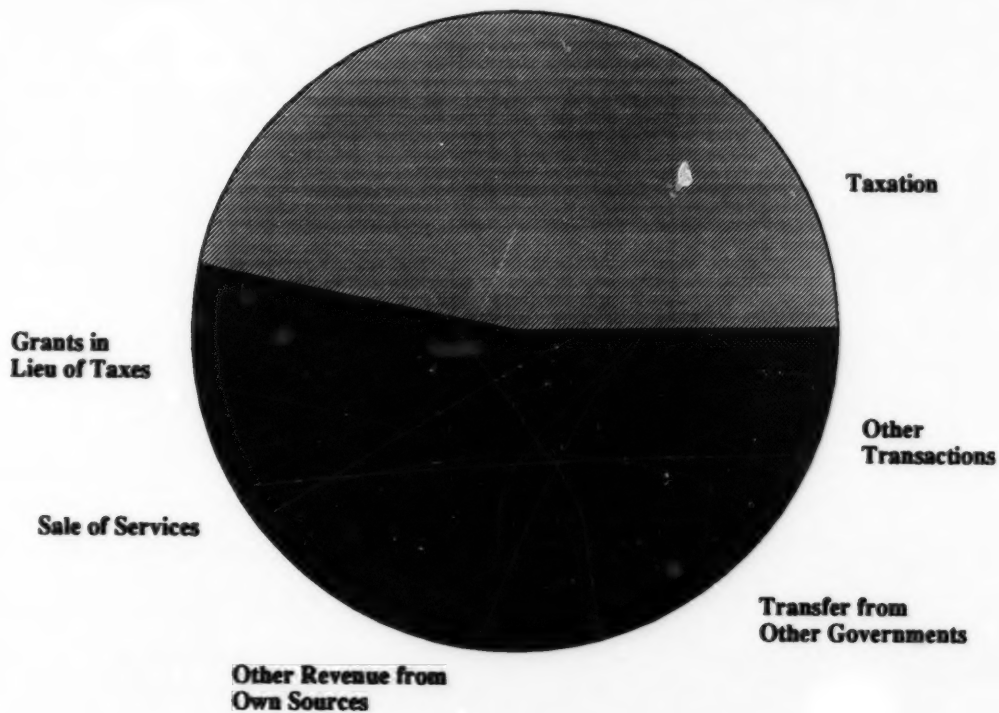
For the Years 1987 to 1991

	(Dollars in Thousands)			
	1987	1988	1989	1990
SOURCES OF FUNDS				
Transfer from Surplus	\$ --	--	--	1991
Debentures	5,767	4,024	1,061	672
Province of Saskatchewan	14,278	3,613	1,861	--
Contribution from Developers, Benefitting				2,620
Property Owners & Other Users	14,602	10,208	6,110	2,143
Appropriations				
- Taxation	689	419	170	103
- Utilities	24	15	58	94
- Reserves	28,604	22,347	39,630	29,206
- Reserve Funds	--	878	911	2,060
Loan - Bus Replacement Fund	--	--	232	596
Miscellaneous	--	304	--	--
	63,964	41,808	50,033	40,528
				33,866
APPLICATION OF FUNDS				
General Government	213	181	1,627	787
Protective Services	1,871	1,163	1,215	1,100
Transportation	14,682	10,136	16,274	15,757
Environmental	2,018	2,521	9,079	7,041
Health and Welfare	630	337	196	98
Recreation and Culture	23,479	16,786	5,047	3,428
Property Purchases/Develop.	9,405	8,129	3,801	2,651
Utility Capital	7,684	12,166	10,092	16,265
	59,982	51,419	47,331	47,127
				30,933
Unexpended Capital Financing				
Beginning of Year	34,137	38,119	28,508	31,192
Unexpended Capital Financing				
End of Year	\$38,119	28,508	31,210	24,600
				27,533

SUMMARY OF REVENUES

For the Years 1987 to 1991

1991

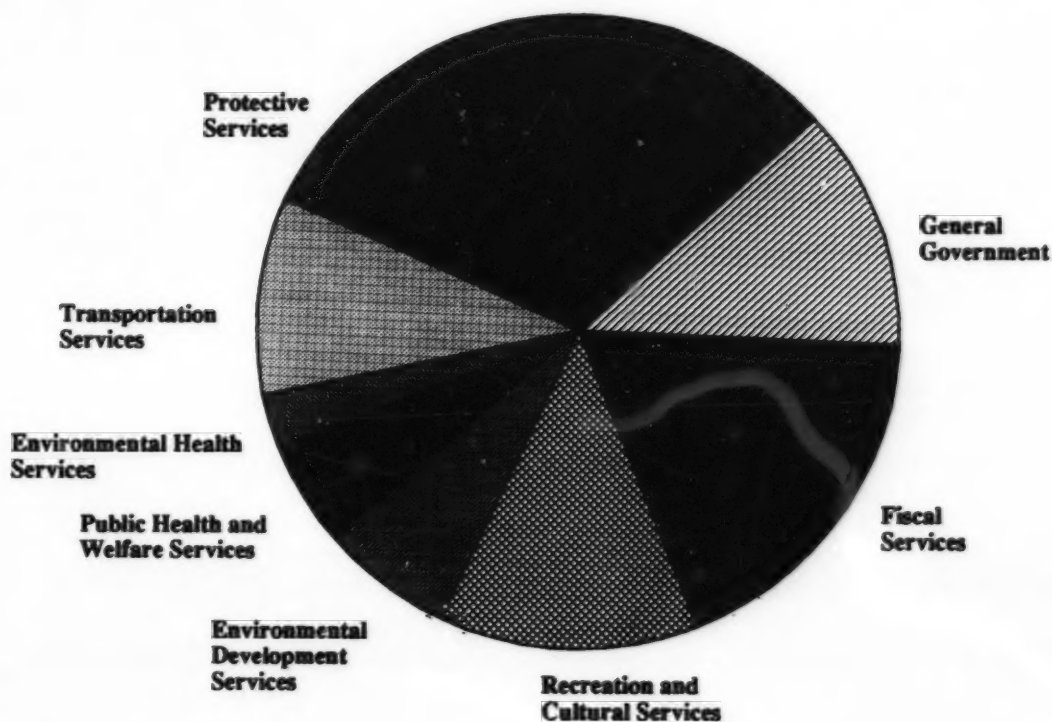


	1987	1988	1989	1990	1991
Taxation	\$ 50,511	52,928	56,981	60,957	\$ 63,610
Grants in Lieu of Taxes	10,699	12,404	13,024	13,166	13,032
Services Provided to Other Governments	50	49	46	47	47
Sale of Services	8,155	8,039	9,322	9,952	10,738
Other Revenue from Own Sources	19,030	22,602	24,789	24,766	22,571
Transfer from Other Governments	16,470	16,586	16,604	16,342	15,311
Other Transactions	4,647	6,117	7,907	10,067	10,977
	<u>\$109,562</u>	<u>118,725</u>	<u>128,673</u>	<u>135,297</u>	<u>\$136,286</u>

SUMMARY OF EXPENDITURES

For the Years 1987 to 1991

1991



	<u>1987</u>	<u>1988</u>	<u>1989</u>	<u>1990</u>	<u>1991</u>
General Government	\$ 14,089	15,349	15,568	16,939	\$ 16,892
Protective Services	35,693	38,081	39,567	41,350	42,516
Transportation Services	13,549	14,911	12,687	13,501	13,631
Environmental Health Services	3,585	3,343	3,644	3,683	3,601
Public Health and Welfare Services	6,220	6,816	7,160	7,204	7,297
Environmental Development Services	6,379	6,715	7,888	8,734	9,005
Recreation and Cultural Services	12,683	14,503	25,547	27,119	25,439
Fiscal Services	16,692	17,895	25,547	27,119	25,439
	<u>\$108,890</u>	<u>117,613</u>	<u>128,555</u>	<u>135,894</u>	<u>\$135,995</u>

SUMMARY OF EXPENDITURES

(BY OBJECT CODE)
For the Years 1990 and 1991

	(Dollars in Thousands)	
	<u>1990</u>	<u>1991</u>
Salary and Payroll Costs	\$ 72,070	\$ 74,978
Maintenance	7,637	7,811
Utilities	6,753	6,902
Fixed Assets and Transfers to Capital	3,340	3,266
Transfers to Funds and Reserves	13,390	10,285
Transit Subsidy	7,466	7,758
Interest/Principal Payments	12,061	11,633
Other Operating Expenditures	30,080	29,783
Cost Recoveries	(16,903)	(16,421)
Total Expenditures	\$135,894	\$135,995

Data for the years 1987 to 1989 is not readily available.

SUMMARY OF RESERVES, RESERVE FUNDS AND SURPLUSES

For the Years 1987 to 1991

	(Dollars in Thousands)				
	<u>1987</u>	<u>1988</u>	<u>1989</u>	<u>1990</u>	<u>1991</u>
RESERVES:					
Social Housing	\$ 1,900	1,792	1,643	1,632	\$ 1,377
Property Realized	13,878	7,875	7,799	12,925	14,719
Replacement	17,959	22,612	20,146	22,443	23,290
Future Expenditures	16,719	27,116	24,681	21,339	20,057
Tax Title Property	89	2	2	2	28
RESERVE FUNDS:					
Bus Replacement	7,698	8,026	8,249	7,298	7,377
Working Capital	1,500	--	--	--	--
SURPLUS	<u>2,449</u>	<u>2,258</u>	<u>1,770</u>	<u>207</u>	<u>390</u>
	\$ 62,192	69,681	64,290	65,846	\$ 67,238

SUMMARY OF PUBLIC UTILITIES OPERATING RESULTS

For the Years 1987 - 1991

	1987	1988	1989	1990	1991
	(Dollars in Thousands)				
Net surplus (deficit) after deducting operating expenses, debt charges and contributions to reserves:					
Electrical Distribution	\$ 3,307	5,357	7,243	8,895	\$ 9,713
Water Supply	--	--	--	--	--
Transit System (before contribution from General Revenue)	(4,714)	(4,999)	(5,469)	(6,538)	(6,479)
Sewage Collection & Disposal	--	--	--	324	--
Net Surplus (Deficit)	\$ (1,407)	358	1,774	2,681	\$ 3,234
Amount contributed by Utilities to Revenue as grant in lieu of taxes	\$ 8,725	\$ 9,943	\$ 10,530	\$ 10,503	\$ 10,311

SUMMARY OF DEBENTURE DEBT AND REQUIRED SINKING FUND

For the Years 1987 to 1991

	1987	1988	1989	1990	1991
Total Debenture Debt	\$61,783,094	62,546,252	58,766,095	54,947,904	46,329,210
Total Sinking Fund	14,516,169	15,030,776	12,617,304	10,467,008	5,906,643
Net Debt	<u>\$47,266,925</u>	<u>\$47,515,476</u>	<u>\$46,148,791</u>	<u>\$44,480,896</u>	<u>\$40,422,567</u>
Population Estimate at Dec. 31	184,122	184,405	184,040	183,579	181,000
Gross Debt Per Capita	\$ 336	\$ 339	\$ 319	\$ 299	\$ 256
Net Debt Per Capita	\$ 257	\$ 258	\$ 251	\$ 242	\$ 223

Section 211 of the Saskatchewan Urban Municipalities Act states "The amount of the Long-term debt of an urban municipality outstanding at any time may not exceed the amount authorized by the Saskatchewan Municipal Board." No limitations on debt have been placed on the City of Saskatoon by the Saskatchewan Municipal Board, and that Board has approved all debentures included in the above summary.

SUMMARY OF DEBENTURE DEBT AND REQUIRED SINKING FUND

For the Years 1990 and 1991

	1990	Sinking Fund At Dec. 31/90	1991	Sinking Fund At Dec. 31/91
Waterworks Utility (1)	\$ 9,210,475	\$ 757,803	8,793,333	884,707
Sewer Utility (1)	3,573,309	375,868	2,898,760	52,076
Local Improvements - Property Share	7,798,234	2,207,066	7,025,961	2,021,067
High School	2,356,000	1,946,735	484,000	181,799
City Hospital Parkade	<u>1,410,000</u>	<u>--</u>	<u>1,310,000</u>	<u>--</u>
Total Debt Not Supported by Civic Mill Rate	\$24,348,018	\$5,287,472	20,512,054	3,139,649
Library	975,000	939,397	--	--
Hospital	3,161,000	691,215	2,218,000	--
General (2)	26,463,886	3,548,924	23,599,156	2,766,994
Total Civic Mill Rate Debt	\$30,599,886	\$5,179,536	25,817,156	2,766,994
Total Debenture Debt	54,947,904		46,329,210	
Total Sinking Fund	<u>10,467,008</u>		<u>5,906,643</u>	
Net Debt (3)	\$44,480,896		40,422,567	
Population Estimate at Dec. 31	183,579		181,000	
Gross Debt Per Capita	\$ 299		\$ 256	
Net Debt Per Capita	\$ 242		\$ 223	

(1) Including City Share of Water and Sewage Local Improvements

(2) Including City Share of General Local Improvements

(3) All Figures are Based on Book Values and Have Not Been Adjusted For Foreign Currency Exchange

CITY OF SASKATOON
DEBENTURES MATURING WITH PERCENTAGES
As at December 31, 1991

<u>Year</u>	<u>Maturing</u>	<u>Yearly</u>	<u>Accumulated</u>
1992	4,453,892	9.50	9.50
1993	4,111,868	8.81	18.31
1994	5,684,610	12.10	30.41
1995	5,339,556	11.41	41.82
1996	5,776,469	12.35	54.17
1997	3,736,171	8.14	62.31
1998	4,009,486	8.74	71.05
1999	3,890,533	8.53	79.58
2000	3,090,543	6.92	86.50
2001	974,022	2.56	89.06
2002	273,582	.57	89.63
2003	965,743	2.01	91.64
2004	327,486	.68	92.32
2005	650,023	1.35	93.67
2006	1,433,897	2.98	96.65
2007	662,321	1.38	98.03
2008	<u>949,008</u>	<u>1.97</u>	100.00
	\$ 46,329,210	100.00	

SUMMARY OF PROPERTY ASSESSMENT AND TAX LEVY

For the Years 1987 to 1991

	1987	1988	1989	1990	1991
Gross Assessment - Land	\$ 649,658,630	658,651,570	662,722,710	667,022,190	\$ 667,577,510
- Improvements	730,168,520	765,158,090	785,469,080	798,507,150	831,307,630
Total Assessment	1,379,827,150	1,423,809,660	1,448,191,790	1,465,529,340	1,498,885,140
Exemptions	334,432,290	350,730,780	352,569,930	353,989,530	373,658,690
Assessed Value for Taxation	\$1,045,394,860	1,073,078,880	1,095,621,860	1,111,539,810	\$1,125,226,450
Tax Rate:					
General	43.03	44.28	45.29	47.99	49.70
Library	4.79	5.02	5.98	6.21	6.33
Education:					
Public Board/Separate Board	58.23	60.50	63.18	65.95	69.23
Total	106.05	109.80	114.45	120.15	125.26
Tax Collections:					
Current	108,126,801	114,954,143	121,198,532	128,295,151	136,006,314
Arrears	5,577,271	5,911,734	5,293,324	6,656,002	7,923,657
Total Collected	\$ 113,552,361	120,675,914	127,892,146	136,032,962	\$ 143,589,971
Percentage of Levy Collected:					
Current	95.22%	95.30%	94.77%	94.31%	94.72%
Current and Arrears	94.42%	94.26%	93.25%	92.60%	92.84%
Taxes Outstanding:					
Current	\$ 5,894,085	5,671,772	6,693,614	7,735,879	\$ 7,588,231
Arrears	1,701,603	2,082,870	3,004,429	3,688,121	4,405,160
Net Outstanding	\$ 7,595,688	7,754,642	9,698,043	11,424,000	\$ 11,993,391

SUMMARY OF BUSINESS ASSESSMENT AND TAX LEVY

For the Years 1987 to 1991

	<u>1987</u>	<u>1988</u>	<u>1989</u>	<u>1990</u>	<u>1991</u>
Gross Assessment	\$ 65,474,126	67,107,699	68,552,175	70,936,686	\$ 69,790,757
Less Reductions from Businesses					
Closing, Moving, Reducing Space	6,398,312	6,541,484	6,889,462	7,804,577	6,077,408
Net Assessment	\$ <u>59,075,814</u>	<u>60,566,215</u>	<u>61,662,713</u>	<u>63,132,109</u>	\$ <u>63,713,349</u>
Business Tax Levy					
Municipal	\$ 3,188,802	3,632,024	3,673,783	3,749,358	\$ 3,759,675
Public Library	351,500	376,300	389,600	453,500	462,700
Education - Public Board	3,443,668	3,555,644	3,604,534	3,647,267	3,707,284
- Separate Board	1,295,344	1,363,280	1,402,769	1,466,713	1,509,833
Total Levy	\$ <u>8,279,314</u>	<u>8,927,248</u>	<u>9,070,686</u>	<u>9,316,838</u>	\$ <u>9,439,492</u>
Business Tax Collections					
(Current & Arrears)	\$ <u>8,934,007</u>	<u>9,277,687</u>	<u>9,517,043</u>	<u>9,640,343</u>	\$ <u>9,665,664</u>
Percentage of Levy Collected:					
Current	97.16%	97.24%	98.44%	97.85%	96.59%
Current and Arrears	104.30%	100.23%	101.30%	100.82%	98.91%
Taxes Outstanding:					
Current	\$ 254,945	255,624	147,317	209,023	\$ 336,585
Arrears	<u>74,150</u>	<u>68,752</u>	<u>97,659</u>	<u>123,799</u>	<u>167,810</u>
Net Outstanding	\$ <u>329,095</u>	<u>324,376</u>	<u>244,976</u>	<u>332,822</u>	\$ <u>504,395</u>

SASKATOON ECONOMIC STATISTICS

For the Years 1987 to 1991

	1987	1988	1989	1990	1991
Saskatoon population (December 31)	184,122	184,405	184,040	183,579	181,000 (1)
Average annual change	+2.20%	+0.15%	+0.20%	-0.25%	-1.40%
Saskatoon inflation rate - annual average	4.90%	4.50%	4.00%	4.40%	5.20% (2)
Saskatoon unemployment rate - annual average	9.90%	9.90%	9.70%	9.30%	11.00% (2)
No. of Persons Employed in Saskatoon	82,000	86,000	87,000	85,000	86,000
Saskatoon building permits: Total number	4,523	3,185	2,560	2,154	1,746 (3)
Total value (\$Millions)	\$ 234.7	\$ 210.6	\$ 218.3	\$ 165.0	\$86.2
Average annual change	-9.9%	-10.2%	+3.8%	-24.4%	-47.8%
Saskatoon retail sales Total value (\$Millions)	\$1401.7	\$1485.6	\$1545.0	\$1592.9	\$1600.9 (4)
Average annual change	7.0%	6.0%	4.0%	3.1%	.5%

SOURCES OF INFORMATION:

- (1) Saskatchewan Hospital Services Plan
- (2) Statistics Canada
- (3) City of Saskatoon - Planning Department
- (4) City of Saskatoon - Economic Development Department